



## Australian Cash Report

### Quarter 3 2009 - Customer Acquisition

A quarterly detailed analysis of the Australian retail deposit industry



## About The Study

Retail deposits have represented the gold mine of cheap funding banks have sought during the global financial crisis, which caused the securitization markets to virtually close and forced wholesale funding levels higher.

The Australian Cash Report examines which banks were successful in attracting retail deposits, with quantitative analysis covering a five year time frame which clearly identifies when banks reacted.

As the global financial crisis continued, retail cash deposits held by banks skyrocketed, with this report examining if the tipping point for the flight to cash has been reached.

The Australian Cash Report also examines primary data on the behavior of consumers, and how and why they choose a transaction cash account from a specific provider, sourced through a transaction account mystery shopping process.

The report has a quarterly focus, with Customer Acquisition the theme for Quarter 3 2009. Primary information focuses on what decision making processes a customer experiences when investigating to open a new transaction cash account, with information sourced through more than 160 mystery shopping events.

Quarter Australian Cash Report themes are as follows;

- Quarter 1, early February      Year in review / the year ahead
- Quarter 2, early May            Retail cash products
- **Quarter 3, early August        Customer acquisition**
- Quarter 4, early November     Sales channels

## What's in the report?

- **Customer acquisition.** Transaction account mystery shopping results identifying the most important factors when considering a transaction account.
- **Customer comments.** Customer comments on why they did or didn't open a new transaction account, detailed by bank shopped and state.
- **Retail deposit system.** Detailed analysis surrounding the size and growth rate for the Australian retail deposit market, focusing on growth in both percentage and absolute terms, and if the flow of funds is starting to move away from cash to higher yielding asset classes.
- **Retail deposit flow analysis.** The rate of new deposit collection over a three and twelve month time horizon, and which banks are controlling the new flow of funds.
- **Market share analysis.** Quarterly, annual and a five year time horizons analysing retail deposit market share for banks (Australian-owned and foreign) operating in Australia.
- **Mergers.** The impact on competition as the dominance by Commonwealth Bank and Westpac Bank increases post the takeovers of Bankwest and St. George respectfully.
- **The big four.** Analysis on how much market share the combined big four banks hold, how this has changed over time, and if their combined percentage holding of all retail deposits by value is anti-competitive
- **Retail deposit sector analysis.** Market share analysis of the combined sectors of Australian-owned banks, foreign-owned banks and mutuals.
- **Report length.** 70 pages.

## Australian Deposit-taking Institutions Involved

### Big four banks

- Australia and New Zealand Bank
- Bankwest, (individual analysis plus merged analysis with Commonwealth Bank)
- Commonwealth Bank
- National Australia Bank
- St. George, (individual analysis plus merged analysis with Westpac Bank)
- Westpac

### Tier 2 Australian banks

- AMP Bank
- Bank of Queensland
- Bendigo and Adelaide Bank
- Elders Rural Bank
- Macquarie Bank
- Members Equity Bank
- Suncorp

### Foreign banks

- Arab Bank
- Bank of China
- Bank of Cyprus
- Citigroup
- HSBC
- ING
- Investec Bank
- Laiki Bank
- Rabobank

### Mutuals

- Credit Unions combined
- Building Societies combined

## Cost

The Australian Cash Report can be purchased individually, or an annual subscription.

For further details contact the Brand Management office on (02) 9376 9600.

## Analysis

The following are the common types of analysis we perform on data sets:-

### **Descriptive and Bivariate analysis:**

- Chi-square,
- Correlation,
- ANOVA,
- t-test

The two main techniques for determining significant differences or associations in the data we typically deal with are;

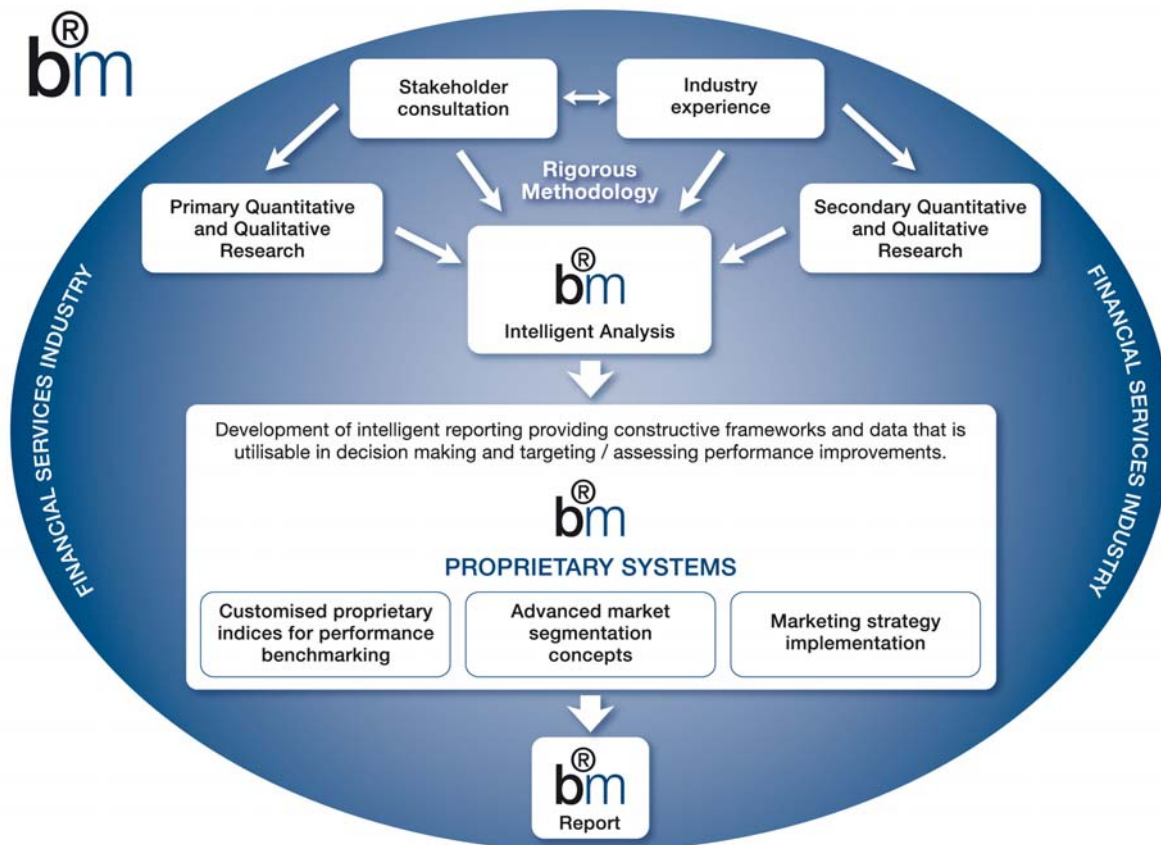
**Chisquare test** - are used to test relationships found in crosstabs.

**ANOVA test** - are used to determine whether there is a significant difference in the averages of two or more groups.

You can use ANOVA to test difference between two groups and also to test difference between periods within point index scales.

Crosstabs and Chisquares (non-parametric test used for nominal or ordinal data) can use collapsed/recoded interval ratio but parametric tests are more powerful as they contain more detail and are thus more accurate.

# brandmanagement



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The group provides clients with market intelligence, guidance on strategic positioning, methods for developing new business, advice on operational marketing and other consulting services.

brandmanagement prides itself in identifying market trends at the earliest opportunity and formulating insightful quantifiable research that clients can use to help them stay ahead of the market and better meet the day-to-day challenges facing their businesses.

Our focus is on bringing deep market knowledge to research and strategy development.

The group's research is not just about information and data but at providing insight so clients can develop strategies that work.

The brandmanagement team is a complimentary blend of experienced financial services, research, marketing and media professionals, who together combine their years of industry experience with primary research to bring perspective to existing market conditions and evolving trends.



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